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NOTICE OF ALLOWANCE AND FEE(S) DUE

20995 7590 03/21/2008

KNOBBE MARTENS OLSON & BEAR LLP
2040 MAIN STREET
FOURTEENTH FLOOR
IRVINE, CA 92614

EXAMINER

NEWTON, JARED W

ART UNIT

PAPER NUMBER

3693

DATE MAILED: 03/21/2008

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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10/057,737

01/25/2002

Amy Swift

IDATA.051A

2796

TITLE OF INVENTION: APPARATUS AND METHODS FOR CORRELATING MAGNETIC INDICIA DATA WITH DATABASE RECORDS

APPLN. TYPE	SMALL ENTITY	ISSUE FEE DUE	PUBLICATION FEE DUE	PREV. PAID ISSUE FEE	TOTAL FEE(S) DUE	DATE DUE
nonprovisional	NO	\$1440	\$0	\$0	\$1440	06/23/2008

THE APPLICATION IDENTIFIED ABOVE HAS BEEN EXAMINED AND IS ALLOWED FOR ISSUANCE AS A PATENT. PROSECUTION ON THE MERITS IS CLOSED. THIS NOTICE OF ALLOWANCE IS NOT A GRANT OF PATENT RIGHTS. THIS APPLICATION IS SUBJECT TO WITHDRAWAL FROM ISSUE AT THE INITIATIVE OF THE OFFICE OR UPON PETITION BY THE APPLICANT. SEE 37 CFR 1.313 AND MPEP 1308.

THE ISSUE FEE AND PUBLICATION FEE (IF REQUIRED) MUST BE PAID WITHIN THREE MONTHS FROM THE MAILING DATE OF THIS NOTICE OR THIS APPLICATION SHALL BE REGARDED AS ABANDONED. THIS STATUTORY PERIOD CANNOT BE EXTENDED. SEE 35 U.S.C. 151. THE ISSUE FEE DUE INDICATED ABOVE DOES NOT REFLECT A CREDIT FOR ANY PREVIOUSLY PAID ISSUE FEE IN THIS APPLICATION. IF AN ISSUE FEE HAS PREVIOUSLY BEEN PAID IN THIS APPLICATION (AS SHOWN ABOVE), THE RETURN OF PART B OF THIS FORM WILL BE CONSIDERED A REQUEST TO REAPPLY THE PREVIOUSLY PAID ISSUE FEE TOWARD THE ISSUE FEE NOW DUE.

HOW TO REPLY TO THIS NOTICE:

I. Review the SMALL ENTITY status shown above.

If the SMALL ENTITY is shown as YES, verify your current SMALL ENTITY status:

A. If the status is the same, pay the TOTAL FEE(S) DUE shown above.

B. If the status above is to be removed, check box 5b on Part B - Fee(s) Transmittal and pay the PUBLICATION FEE (if required) and twice the amount of the ISSUE FEE shown above, or

If the SMALL ENTITY is shown as NO:

A. Pay TOTAL FEE(S) DUE shown above, or

B. If applicant claimed SMALL ENTITY status before, or is now claiming SMALL ENTITY status, check box 5a on Part B - Fee(s) Transmittal and pay the PUBLICATION FEE (if required) and 1/2 the ISSUE FEE shown above.

II. PART B - FEE(S) TRANSMITTAL, or its equivalent, must be completed and returned to the United States Patent and Trademark Office (USPTO) with your ISSUE FEE and PUBLICATION FEE (if required). If you are charging the fee(s) to your deposit account, section "4b" of Part B - Fee(s) Transmittal should be completed and an extra copy of the form should be submitted. If an equivalent of Part B is filed, a request to reapply a previously paid issue fee must be clearly made, and delays in processing may occur due to the difficulty in recognizing the paper as an equivalent of Part B.

III. All communications regarding this application must give the application number. Please direct all communications prior to issuance to Mail Stop ISSUE FEE unless advised to the contrary.

IMPORTANT REMINDER: Utility patents issuing on applications filed on or after Dec. 12, 1980 may require payment of maintenance fees. It is patentee's responsibility to ensure timely payment of maintenance fees when due.

PART B - FEE(S) TRANSMITTAL

**Complete and send this form, together with applicable fee(s), to: Mail Mail Stop ISSUE FEE
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INSTRUCTIONS: This form should be used for transmitting the ISSUE FEE and PUBLICATION FEE (if required). Blocks 1 through 5 should be completed where appropriate. All further correspondence including the Patent, advance orders and notification of maintenance fees will be mailed to the current correspondence address as indicated unless corrected below or directed otherwise in Block 1, by (a) specifying a new correspondence address; and/or (b) indicating a separate "FEE ADDRESS" for maintenance fee notifications.

CURRENT CORRESPONDENCE ADDRESS (Note: Use Block 1 for any change of address)

20995 7590 03/21/2008

KNOBBE MARTENS OLSON & BEAR LLP
2040 MAIN STREET
FOURTEENTH FLOOR
IRVINE, CA 92614

Note: A certificate of mailing can only be used for domestic mailings of the Fee(s) Transmittal. This certificate cannot be used for any other accompanying papers. Each additional paper, such as an assignment or formal drawing, must have its own certificate of mailing or transmission.

Certificate of Mailing or Transmission

I hereby certify that this Fee(s) Transmittal is being deposited with the United States Postal Service with sufficient postage for first class mail in an envelope addressed to the Mail Stop ISSUE FEE address above, or being facsimile transmitted to the USPTO (571) 273-2885, on the date indicated below.

(Depositor's name)
(Signature)
(Date)

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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10/057,737 01/25/2002 Amy Swift IDATA.051A 2796

TITLE OF INVENTION: APPARATUS AND METHODS FOR CORRELATING MAGNETIC INDICIA DATA WITH DATABASE RECORDS

APPLN. TYPE	SMALL ENTITY	ISSUE FEE DUE	PUBLICATION FEE DUE	PREV. PAID ISSUE FEE	TOTAL FEE(S) DUE	DATE DUE
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nonprovisional NO \$1440 \$0 \$0 \$1440 06/23/2008

EXAMINER	ART UNIT	CLASS-SUBCLASS
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NEWTON, JARED W 3693 705-039000

1. Change of correspondence address or indication of "Fee Address" (37 CFR 1.363).

- ☐ Change of correspondence address (or Change of Correspondence Address form PTO/SB/122) attached.
- ☐ "Fee Address" indication (or "Fee Address" Indication form PTO/SB/47; Rev 03-02 or more recent) attached. **Use of a Customer Number is required.**

2. For printing on the patent front page, list

- (1) the names of up to 3 registered patent attorneys or agents OR, alternatively, 1 _____
- (2) the name of a single firm (having as a member a registered attorney or agent) and the names of up to 2 registered patent attorneys or agents. If no name is listed, no name will be printed. 2 _____
- 3 _____

3. ASSIGNEE NAME AND RESIDENCE DATA TO BE PRINTED ON THE PATENT (print or type)

PLEASE NOTE: Unless an assignee is identified below, no assignee data will appear on the patent. If an assignee is identified below, the document has been filed for recordation as set forth in 37 CFR 3.11. Completion of this form is NOT a substitute for filing an assignment.

(A) NAME OF ASSIGNEE (B) RESIDENCE: (CITY and STATE OR COUNTRY)

Please check the appropriate assignee category or categories (will not be printed on the patent) : ☐ Individual ☐ Corporation or other private group entity ☐ Government

4a. The following fee(s) are submitted:

- ☐ Issue Fee
- ☐ Publication Fee (No small entity discount permitted)
- ☐ Advance Order - # of Copies _____

4b. Payment of Fee(s); (Please first reapply any previously paid issue fee shown above)

- ☐ A check is enclosed.
- ☐ Payment by credit card. Form PTO-2038 is attached.
- ☐ The Director is hereby authorized to charge the required fee(s), any deficiency, or credit any overpayment, to Deposit Account Number _____ (enclose an extra copy of this form).

5. Change in Entity Status (from status indicated above)

- ☐ a. Applicant claims SMALL ENTITY status. See 37 CFR 1.27. ☐ b. Applicant is no longer claiming SMALL ENTITY status. See 37 CFR 1.27(g)(2).

NOTE: The Issue Fee and Publication Fee (if required) will not be accepted from anyone other than the applicant; a registered attorney or agent; or the assignee or other party in interest as shown by the records of the United States Patent and Trademark Office.

Authorized Signature _____

Date _____

Typed or printed name _____

Registration No. _____

This collection of information is required by 37 CFR 1.311. The information is required to obtain or retain a benefit by the public which is to file (and by the USPTO to process) an application. Confidentiality is governed by 35 U.S.C. 122 and 37 CFR 1.14. This collection is estimated to take 12 minutes to complete, including gathering, preparing, and submitting the completed application form to the USPTO. Time will vary depending upon the individual case. Any comments on the amount of time you require to complete this form and/or suggestions for reducing this burden, should be sent to the Chief Information Officer, U.S. Patent and Trademark Office, U.S. Department of Commerce, P.O. Box 1450, Alexandria, Virginia 22313-1450. DO NOT SEND FEES OR COMPLETED FORMS TO THIS ADDRESS. SEND TO: Commissioner for Patents, P.O. Box 1450, Alexandria, Virginia 22313-1450.

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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/057,737	01/25/2002	Amy Swift	IDATA.051A	2796
20995	7590	03/21/2008	EXAMINER	
KNOBBE MARTENS OLSON & BEAR LLP 2040 MAIN STREET FOURTEENTH FLOOR IRVINE, CA 92614			NEWTON, JARED W	
			ART UNIT	PAPER NUMBER
			3693	
DATE MAILED: 03/21/2008				

Determination of Patent Term Adjustment under 35 U.S.C. 154 (b) (application filed on or after May 29, 2000)

The Patent Term Adjustment to date is 1476 day(s). If the issue fee is paid on the date that is three months after the mailing date of this notice and the patent issues on the Tuesday before the date that is 28 weeks (six and a half months) after the mailing date of this notice, the Patent Term Adjustment will be 1476 day(s).

If a Continued Prosecution Application (CPA) was filed in the above-identified application, the filing date that determines Patent Term Adjustment is the filing date of the most recent CPA.

Applicant will be able to obtain more detailed information by accessing the Patent Application Information Retrieval (PAIR) WEB site (<http://pair.uspto.gov>).

Any questions regarding the Patent Term Extension or Adjustment determination should be directed to the Office of Patent Legal Administration at (571)-272-7702. Questions relating to issue and publication fee payments should be directed to the Customer Service Center of the Office of Patent Publication at 1-(888)-786-0101 or (571)-272-4200.

Notice of Allowability

Application No.

10/057,737

Applicant(s)

SWIFT ET AL.

Examiner

Art Unit

JARED W. NEWTON

3693

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address--

All claims being allowable, PROSECUTION ON THE MERITS IS (OR REMAINS) CLOSED in this application. If not included herewith (or previously mailed), a Notice of Allowance (PTOL-85) or other appropriate communication will be mailed in due course. **THIS NOTICE OF ALLOWABILITY IS NOT A GRANT OF PATENT RIGHTS.** This application is subject to withdrawal from issue at the initiative of the Office or upon petition by the applicant. See 37 CFR 1.313 and MPEP 1308.

1. ☒ This communication is responsive to Request for Continued Examination filed December 21, 2007.
2. ☒ The allowed claim(s) is/are 1-30.
3. ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some* c) ☐ None of the:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. ____.
3. ☐ Copies of the certified copies of the priority documents have been received in this national stage application from the International Bureau (PCT Rule 17.2(a)).
- * Certified copies not received: ____.

Applicant has THREE MONTHS FROM THE "MAILING DATE" of this communication to file a reply complying with the requirements noted below. Failure to timely comply will result in ABANDONMENT of this application.

THIS THREE-MONTH PERIOD IS NOT EXTENDABLE.

4. ☐ A SUBSTITUTE OATH OR DECLARATION must be submitted. Note the attached EXAMINER'S AMENDMENT or NOTICE OF INFORMAL PATENT APPLICATION (PTO-152) which gives reason(s) why the oath or declaration is deficient.
5. ☐ CORRECTED DRAWINGS (as "replacement sheets") must be submitted.
- (a) ☐ including changes required by the Notice of Draftsperson's Patent Drawing Review (PTO-948) attached
- 1) ☐ hereto or 2) ☐ to Paper No./Mail Date ____.
- (b) ☐ including changes required by the attached Examiner's Amendment / Comment or in the Office action of Paper No./Mail Date ____.
- Identifying indicia such as the application number (see 37 CFR 1.84(c)) should be written on the drawings in the front (not the back) of each sheet. Replacement sheet(s) should be labeled as such in the header according to 37 CFR 1.121(d).**
6. ☐ DEPOSIT OF and/or INFORMATION about the deposit of BIOLOGICAL MATERIAL must be submitted. Note the attached Examiner's comment regarding REQUIREMENT FOR THE DEPOSIT OF BIOLOGICAL MATERIAL.

Attachment(s)

- | | |
|--|---|
| 1. <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 5. <input type="checkbox"/> Notice of Informal Patent Application |
| 2. <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 6. <input type="checkbox"/> Interview Summary (PTO-413),
Paper No./Mail Date ____. |
| 3. <input type="checkbox"/> Information Disclosure Statements (PTO/SB/08),
Paper No./Mail Date ____ | 7. <input type="checkbox"/> Examiner's Amendment/Comment |
| 4. <input type="checkbox"/> Examiner's Comment Regarding Requirement for Deposit
of Biological Material | 8. <input checked="" type="checkbox"/> Examiner's Statement of Reasons for Allowance |
| | 9. <input type="checkbox"/> Other ____. |

REASONS FOR ALLOWANCE

The following is an examiner's statement of reasons for allowance:

The invention is drawn to a system and method for locating the writer of a check that failed to clear. A possible reason a check fails to clear is because there are insufficient funds in the account on which it is drawn.

Each independent claim requires the receipt of a communication indicating that a check failed to clear. The recipient of the communication locates an identifier, such as an account number or routing number, from the communication, and uses that identifier to search a database for a first transaction record describing the transaction that resulted in the check failing to clear. From the transaction record, a customer identifier, such as a customer name or address, is then located and used to search a transaction database for check transactions having a common customer identifier. According to each independent claim, the transactions located by the customer identifier are transactions that take place subsequent to the initial purchase that resulted in the failure of the check to clear. (Emphasis added). A separate customer identifier is then read and transmitted to a recipient.

Support for the emphasized recitation is found on page 13 of the specification, and recites, "At state 210B the identification information or a portion thereof, such as the customer's driver's license number, is then used as a search key to search for and locate other check transactions recorded in the transaction database ... Then other identification information is read, such as the customer's address and/or phone number ... the search is limited to check transactions where the check was drafted after the first

check was drafted." (Emphasis added). The advantage of searching subsequent transactions is that customer information that may have changed between the time when the initial non-cleared transaction occurred and the time when the database was searched (see specification, page 13, paragraph [0043]). Subsequent transactions are more likely to reflect this changed information.

The emphasized claim recitation in combination with the other features of the invention are not taught by the prior art. The storing of check transaction and customer data is well known in the art. For instance, the database of US Patent No. 5,697,938 to Templeton et al. (hereafter Templeton '938) correlates Magnetic Ink Character Recognition (MICR) data commonly found on a check with customer name and address information (see e.g. col. 32, lines 44-67). Similar teachings are described in US Patent No. 6,757,664 to Cardinal et al. (hereafter Cardinal '664) (teaching correlation of MICR data and account information), US Patent No. 6,189,785 to Lowery (hereafter Lowery '785) (teaching correlation of MICR data, transaction data, and customer information in a data warehouse), and US Patent No. 6,164,528 to Hills et al. (hereafter Hills '528) (point-of-sale system for verifying sufficiency of funds).

However, none of these references teaches the searching of data related to transactions that occur after an initial transaction fails to clear. For instance, Templeton '938 teaches interactive authorization of a transaction (see abstract). Therefore the determination of sufficiency of funds is made instantaneously and there is no need (and indeed it would be impossible) to search the database for subsequent transactions. Cardinal '664 teaches the possibility that an intervening transaction will affect the

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balance of a customer's account while a transaction is pending; however, this problem is cured by constantly updating the database records reflecting the balance of the account, so that the sufficiency of funds determination can be made when the check is written (see col. 11, line 64 – col. 12, line 45). Similar to the Templeton '938 reference, the Cardinal '664 teachings preclude the need to inquire about subsequent transactions. Hills '528 teaches three interactive databases: a "Merchant" database, a "Checkwriter" database, and a "Transaction" database (see col. 7, lines 23-47). The "Transaction" database stores records of transactions and the "Checkwriter" database stores records of the check writer, and indicators of whether the check writer should be approved or declined for a transaction (see id.). The databases are updated continuously, and therefore, like the Templeton '938 and Cardinal '664 references, provide an instantaneous determination of whether sufficient funds exist. Databases similar to Hills '528 are well known in the art of check transaction approval, wherein customer identifying information is input, and an indicator is returned indicating whether the customer poses a risk of writing a "bad" check that is not backed by sufficient funds in the customer's account (see e.g. US Patent No. 5,504,677 to Pollin, col. 12, lines 15-30).

The references most relevant to the instant invention are Lowery '785 and US Patent No. 7,103,579 to Phillips et al. (hereafter Phillips '579). Lowery '785 teaches a check transaction being deemed unauthorized because of an "exception condition," such as insufficient funds (see col. 12, line 11 - col. 13, line 10). Upon determination of an "exception condition," if the merchant subscribes to a collection service, the

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collection service accesses the transaction information, including payor data stored in a data warehouse. Phillips '579 teaches an interactive reporting system wherein a merchant, in response to a check's failure to clear, is able to access information related to the transaction stored on a clearinghouse computer (see col. 5, line 63 – col. 6, line 4). However, neither Lowery '785 nor Phillips '579 teaches or suggests accessing the database to search for transaction information related to transactions subsequent to the transaction that did not clear using a search identifier acquired from a previous transaction record. (Emphasis added). Nor would it be obvious to utilize the systems and methods disclosed by Lowery '785 and Phillips '579 to search for these subsequent transactions. For instance, Phillips '579 teaches access by the merchant to information relating to transactions between the merchant and a customer that are currently being processed (see col. 5, line 63 – col. 6, line 4). It would not make sense for the merchant to search for information from a subsequent transaction using a communicated indication of insufficient funds for a previous transaction, because the merchant already has access to information involving the subsequent information.

Any comments considered necessary by applicant must be submitted no later than the payment of the issue fee and, to avoid processing delays, should preferably accompany the issue fee. Such submissions should be clearly labeled "Comments on Statement of Reasons for Allowance."

Conclusion

The prior art made of record and not relied upon is considered pertinent to applicant's disclosure:

- US Patent Application Publication No. 2003/0132281 to Jones et al.
- US Patent Application Publication No. 2003/0182214 to Taylor
- US Patent Application Publication No. 2004/0079311 to Robinson
- US Patent No. 4,948,174 to Thomson et al.
- US Patent No. 5,121,945 to Thomson et al.
- US Patent No. 5,412,190 to Josephson
- US Patent No. 5,504,677 to Pollin
- US Patent No. 5,678,046 to Cahill et al.
- US Patent No. 5,896,298 to Richter
- US Patent No. 6,041,315 to Pollin
- US Patent No. 7,103,579 to Phillips et al.
- US Patent No. 7,246,740 to Swift et al.
- O'Leary, "Personal checks join digital revolution;" Bangor Daily News.
Bangor, ME.: Jan 6, 2001.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to JARED W. NEWTON whose telephone number is (571)272-2952. The examiner can normally be reached on M-F 8-5.

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If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James Kramer can be reached on (571) 272-6783. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/James A. Kramer/
Supervisory Patent Examiner, Art Unit 3693

JWN
February 26, 2008